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Biweekly Narrative Seafood Report (No: 5 - 2004): Korea

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1. Fisheries News in Korea

Pollock prices are expected to be unstable during the second half of this year:

According to the Korean Ministry of Marine Affairs & Fisheries, retail prices of Alaska pollock was W 2,575 per fish in January, and W2,542 per fish in February respectively, which was a sharp decrease, compared with the corresponding period of last year (W 3,146 per fish last January and W 3,161 per fish last February).

The reasons for low prices for Alaska Pollock this year can be summarized as follows:

- 1) Consumers now tend to avoid pollock since early last year when pollock prices started to soar.
- 2) Oversupply of Pollock from Russia this year: 146,000 tons in 2004 from 39,000 tons in 2002.

Therefore, pollock prices are unlikely fluctuate during the 1st half of this year. However, as pollock quota to Korea by Russia has decreased this year, it is expected that pollock retail prices will be unstable during the last half of 2004>

Korea: Status of Pollock Demand and Supply

(Unit: ton)

Year	Demand			Total	Supply				
	Local Consumption	Export	Transfer ^{*1)}		Local Production	Import			Stock ^{*3)}
						Total	JV ^{*2)}	Import	
2001	432,924	8,800	43,225	484,949	190,011	243,000	4,753	238,247	51,938
2002	332,097	7,714	46,250	386,061	25,040	317,796	39,316	278,480	43,225
2003	374,344	12,487	95,470	482,301	22,132	413,919	146,000	267,919	46,250
2004 (est.)	412,472	10,000	59,000	481,472	20,000	366,000	116,000	250,000	95,470

* Note: 1) Transfer means demand carried forward to next year

2) JV means pollock brought from Russia to Korea through Joint Venture

3) Stock: Stock volume from previous year

(Source: March 22, 2004, the Korea Fisheries Times, Seoul, Korea)

3. The Update on Wholesale Fisheries Market in Korea

Weekly Trend of Noryangjin Wholesale Fisheries Market in Seoul: **(March 11 – 17, 2004)**

The biggest item traded during the above period is live gray mullet for sashimi, which is in the season.

? Live gray mullet for sashimi (local):

- Daily Supply: 6 - 7 tons

- Price: W 3,000 per kg for medium (approx. U\$ 1.18 per lb)

Weekly Trend of Garak-dong Wholesale Fisheries Market in Seoul: **(March 8 – 13, 2004)**

? Fresh mackrel (local): price down due to more supply

? Fresh cod (imported from Japan): price up due to increased demand

? Fresh Alaska Pollock (imported): prices down due to excess supply

(Source: March 22, 2004, the Korea Fisheries Times, Seoul, Korea)